



## Neighborhood Centers

Discussion of clarifying  
Comprehensive Plan Language

Presented by Councilpersons  
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## Comprehensive Plan Language



- ◆ Neighborhood Centers typically range in size from 150,000 to 250,000 square feet of commercial space.
- ◆ These centers typically serve the neighborhood level. It is anticipated that there will be one neighborhood center per one square mile of urban use.
- ◆ Neighborhood Centers should be located approximately 3/4 to one mile apart

## What People Say

### Pro

- ◆ Let the “free market” decide
- ◆ Big boxes are a natural evolution
- ◆ Don’t keep out competition

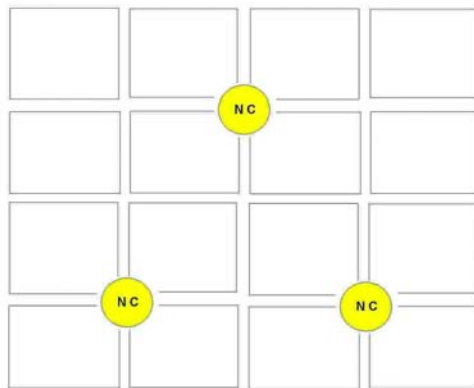
### Con

- ◆ Big boxes are a drain on the local economy
- ◆ Local businesses need to be protected
- ◆ Smaller is better

## Two issues to address

- ◆ Market area of a Neighborhood Center is smaller than the typical big box
- ◆ “Attractor” development opportunities can not be utilized by a big box in a Neighborhood Center

## Current Layout



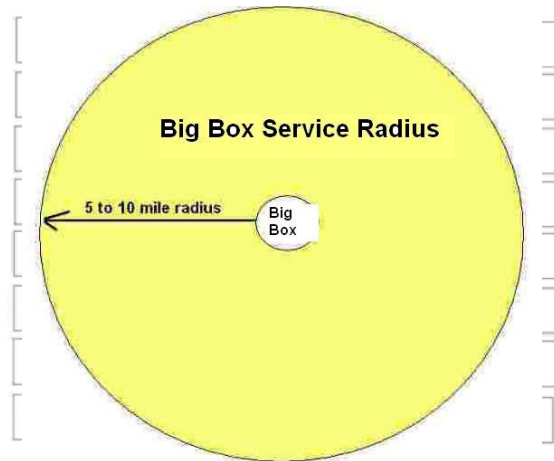
Current  
Neighborhood  
Centers are  
spaced one to  
two miles  
apart from  
each other

## Features of a Neighborhood Center

- ◆ Neighborhood Center: This center is designed to provide convenience shopping for the day-to-day needs of consumers in the immediate neighborhood.<sup>[1]</sup>
- ◆ Short driving or walking distance for most neighbors to obtain basic service

<sup>1</sup> International Council of Shopping Centers (ICSC)

## Big Box service radius



## Affects of Big Box Retail on Neighborhood Centers

- ♦ Will affect existing neighborhood centers increasing the use of blight and TIF dollars for redevelopment
- ♦ Expanded radius (draw) will reduce the number of neighborhood centers reducing service (in both new and old areas)
- ♦ Conflicts between housing and retail centers

## What is an attractor?

[Big Boxes] draw customers from all over the City and beyond, which is the defining feature of a regional centre. More importantly, **[Big Boxes] are what marketing experts call an attractor** (an anchor store that attracts other big box retailers), and a seed (an anchor that always spawns additional commercial growth).

Retailers want to locate where a constant stream of consumers can be expected. [Big Boxes], always draw a strong flow of consumers eager for discount prices. **Other retailers, therefore, like to build around [Big Boxes] in order to share the [Big Boxes] customer base.**

## Where will additional retail locate?

- ♦ If NC's are limited to 250,000 square feet and large box developments are proposed to use up 230,000 square feet, where will other commercial development occur?
- ♦ Are community and regional centers more appropriate to put large scale users in order to capitalize on their "attractor" development capabilities?

## Example of Big Box “Attractor” Development



california  
PIZZA KITCHEN



WAL★MART



Better Food. Pure & Simple.™

## Big Box Retail

- ◆ Should be located in areas with good road infrastructure
- ◆ Away from comprehensive plan designated housing developments
- ◆ On sites large enough to utilize their ability to be an “attractor” of other commercial development

## Proposed comprehensive plan language from the ISCS

- ♦ Who is the International Council of Shopping Centers (ICSC)
- ♦ Founded in 1957
- ♦ Has 57,000 members in the U.S., Canada and more than 80 other countries and serves as the global industry trade association.

## Trade Area and Anchor Ratio

- ♦ According to the ISCS definitions, Neighborhood Centers should:
  1. Have a “Primary Trade Area” <sup>[1]</sup> of three miles
  2. Have an “anchor ratio” <sup>[2]</sup> of 30 to 50%

[1] The area from which 60 - 80% of the center's sales originate

[2] The share of a center's total square footage that is attributable to its anchors



## Benefits of added language



- ♦ Adding Anchor Ratio's and Service Areas will help:
  1. Provide additional guidance that is **not** presently in the comprehensive plan
  2. Give homeowners in newly developing areas more certainty
  3. Provide better utilization of “attractor” anchor stores in “community” and “regional” centers